



**MINUTES FROM THE MEETING OF  
THE ABLE TASK FORCE  
SEPTEMBER 13, 2016**

A Meeting of the ABLE Task Force was held on September 13, 2016 at 10:00 AM  
in the Conference Room of the Office of the State Treasurer ("OST")  
Located at 820 Silver Lake Blvd., Suite 100, Dover, DE 19904

Task Force Members Represented or in Attendance:

The Honorable Ken Simpler, State Treasurer (Telephonically)  
Ms. Valerie Watson (on behalf of Secretary Thomas J. Cook, Department of Finance)  
The Honorable Trey Paradee, State Representative  
Mr. Ralph Cetrulo, Member, Plans Management Board ("PMB") (Telephonically)  
Mr. Don Shandler, Member, PMB  
Ms. Diann Jones, Public Member (Telephonically)

Task Force Members Not in Attendance:

Mr. Rick Kosmalski, Public Member  
Ms. Angie Ehst, Public Member

Others in Attendance:

Mr. John Meyer, Director of Contributions and Plans Management, OST  
Mr. Omar Masood, Policy Advisor, OST  
Ms. Martha Sturtevant, Executive Assistant, OST

**CALLED TO ORDER**

The meeting was called to order at 10:13 AM.

**ABLE TASK FORCE PRESENTATION**

OST provided updates on the consortium RFP, most notably that the primary vendor, a leading 529 provider, has been identified as well as the banking provider and the custodian bank.

Mr. Masood stated that the consortium will match all the features of Ohio's ABLE plan and will include two additional features: an ATM debit card and an HSA option. Mr. Masood confirmed there will be no cost to join the consortium and that revenue sharing details remain unavailable. He added that the consortium will allow states to customize plans, select investment options, and that the annual fee to plan participants is competitive.

Mr. Masood reviewed updates on regulatory requirements and congressional legislation. He stated that states have drafted a letter to the Social Security Administration ("SSA") noting administrative and security concerns, to relax the requirement for states to receive data from vendors before sending the data to the SSA. Mr. Masood

stated that a bi-partisan bill moving through Congress could increase the age of onset to 46, therefore making an estimated 2 million more people eligible. He noted that his was not insignificant for the states and would scale to roughly 6,000 additional participants in Delaware.

Mr. Masood reviewed minor updates on state ABLE programs. He stated that North Carolina's statute requires them to have their own plan, but now they are considering the consortium. Wisconsin has decided not to move forward with an implementation path. Mr. Simpler said that he believes Rhode Island would also not move forward with their own state ABLE plan. Mr. Masood stated that Rhode Island had joined the consortium, and noted that such a decision to reverse course was noteworthy.

Mr. Masood reviewed a Census Bureau report estimating that 5% of people will likely be eligible for ABLE. He presented data from the Centers for Disease Control and Prevention that indicated Delaware falls into the national average for percentage of the population with a disability, at 22.6%. Mr. Masood also offered estimates from the National Disability Institute.

Mr. Meyer suggested that the Task Force use the figure of approximately 47,000 Delawareans with disabilities that would be eligible for ABLE. The committee discussed a range of possible participation rates from that population.

## **DISCUSSION**

There was a discussion regarding the benefits of various ABLE implementation paths. The Task Force acknowledged the experience and expertise of the consortium's vendor.

Mr. Simpler acknowledged that the accuracy of participation estimates will continue to improve. Mr. Shandler added that the market would influence participation rates.

Mr. Simpler acknowledged that OST would need to incorporate anticipated costs of implementation into the budget request if Delaware opted to have its own plan, but added that presently he did not foresee the need for the PMB to approve a request for ABLE funding beyond the \$75,000 currently identified by a prior appropriation. He said there would be a second opportunity during the budget mark-up period if the Task Force could not make a decision prior to OST's budget request.

There was a discussion regarding the timetable for plan implementation with and without a Request for Information ("RFI") or Request for Proposal ("RFP") process. Mr. Paradee thought a decision should be made by the end of the year, and he was leaning toward the Illinois-led consortium with some customization.

Mr. Simpler solicited feedback from the Task Force on specific recommendations to report to the PMB. Mr. Shandler stated that he believes more time is needed for a deeper consideration of the specific plan and that a plan for implementation should be developed.

Mrs. Watson suggested that the Task Force communicate with the Office of Management and Budget ("OMB") before considering an RFI/RFP process. Mr. Cetrulo stated that he didn't want to wait too long, but that he would like to hear from OMB. He added that he did not think it would be cost effective to go toward RFI or RFP and stated that he was leaning toward the consortium. Mr. Simpler stated that he too would like to hear from OMB to better understand the RFI/RFP options.

Mr. Simpler acknowledged the benefit of waiting for more information from the consortium and additionally from the SSA before making a final recommendation. He added that it remains unclear how the consortium would handle governance and he would like to have a better understanding before making a recommendation to the PMB with findings and a recommendation to reconvene in six months to review ABLE marketplace development.

Ms. Watson asked Ms. Jones for her thoughts on unintended consequences of delaying implementation. Ms. Jones stated that it was more responsible to wait for the marketplace to develop before deciding on an implementation path and added that those participants with an immediate need have other options.

Mr. Simpler summarized that OST would prepare a summary memo for circulation to the Task Force members in advance of the next PMB meeting.

#### **PUBLIC COMMENTS**

No members of the public present for comment.

#### **ADJOURNMENT**

A MOTION was made by Mr. Simpler and seconded by Ms. Watson to adjourn the meeting of the ABLE Task Force at 11:35 AM.

MOTION WAS ADOPTED UNANIMOUSLY

Respectfully submitted,

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Kenneth A. Simpler, State Treasurer  
Chair, ABLE Task Force

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Martha Sturtevant  
OST, Executive Assistant to the State Treasurer, *Recorder*